

are willing to accept the management of the Society, order that such management shall be handed over to Government or that any surplus assets remaining after the satisfaction of the debts and liabilities of the Society may be given to some society registered under this Act, which has for its object, the furtherance of aims similar as near as may be, to the objects of the dissolved Society".

It is open to the Government to say that we don't want the management of the society. Only if there is no other society which has got objects similar to the one which is being dissolved will Government, if they are willing at all, say that they will take over and even then it is open to the Court to say whether they will give the society to Government or not. There is no idea of Government running about and grabbing the assets of all societies and enrich themselves.

These are the four points which the hon'ble member mentioned in this House and I have touched all these points as succinctly as possible.

**Mr. President:** The question before the House is the Registration of Literary, Scientific, and Charitable Societies' Act (Amendment) Bill be taken up and finally passed. Those who are for the motion will stand up in their seats.

#### Ayes

- |                                         |                                                   |
|-----------------------------------------|---------------------------------------------------|
| (1) Mr. V. J. Mathai.                   | (13) Mr. A. Madhava Prabhu.                       |
| (2) Mr. V. K. Bhaskara Menon.           | (14) Rama Varmha Tampuran.                        |
| (3) Mr. V. N. Damodaran Nambiar.        | (15) Mr. C. J. Mathew.                            |
| (4) Mr. T. S. Ramachandra Ayyar.        | (16) Mr. M. Sivarama Menon.                       |
| (5) Mr. K. Kunhirama Menon.             | (17) Mr. M. M. Paul.                              |
| (6) Mr. C. K. Nayar.                    | (18) Mr. S. Venktieswaran.                        |
| (7) Mr. C. V. Iyyu.                     | (19) Khan Sahib Y. Mohammed Roshan Sahib Bahadur. |
| (8) Mr. M. Krishna Menon.               | (20) Mr. P. V. Raphael.                           |
| (9) Mr. K. M. Ibrahim.                  | (21) Mr. Parambi Lonappan.                        |
| (10) Mr. K. Ashtamoorthi Namboodiripad. | (22) Rao Sahib Dr. Thariyan Verghese.             |
| (11) Mr. C. Ittiravi Namboodiripad.     | (23) Rao Sahib I. N. Menon.                       |
| (12) Mr. V. K. Kutty.                   | (24) M. V. K. Aravindaksha Menon.                 |

#### Noes

- |                                 |                                   |
|---------------------------------|-----------------------------------|
| (1) Mrs. Thankamma N. Menon.    | (10) Mr. K. S. Panicker.          |
| (2) Mr. Ismail Hajee Essa Sit.  | (11) Rao Sahib K. Ayyappan.       |
| (3) Mr. A. B. Salem.            | (12) Mr. T. A. Ramachandra Ayyar. |
| (4) Mr. A. V. Moothedan.        | (13) Mr. N. Govinda Pai.          |
| (5) Mr. Ephraim Ouseph.         | (14) Mr. Shabdai S. Koder.        |
| (6) Mr. K. R. Ramakrishnan.     | (15) Mr. K. T. Achyutan.          |
| (7) Mr. P. Kumaran Ezhuthassan. | (16) Mr. P. P. Devassy.           |
| (8) Mr. K. Narayana Menon.      | (17) Mr. C. K. S. Moni.           |
| (9) Mr. A. T. Kunhipalu.        | (18) Mr. P. K. Krishnan.          |

#### Neutrals

- |                           |                                  |
|---------------------------|----------------------------------|
| (1) Mr. A. Eachara Menon. | (3) Mr. A. L. Antony.            |
| (2) Mr. M. K. Devassy.    | (4) Mr. C. Kunhan Namboodiripad. |
| (5) Mr. K. J. Thomas.     |                                  |

**Mr. President:** 24 against 18. The motion is carried.

With regard to the point of order raised by Mr. Kumaran Ezhuthassan I will give my considered ruling tomorrow.

### (2) The Cochin Companies Bill

**Mr. M. Sivarama Menon (Advocate-General):** Sir, I beg to move that the Cochin Companies Bill be read in Council.

**Mr. C. J. Mathew (Joint Secretary to Government):** I second it.

**Secretary to the Council:** The title of the Bill is "The Cochin Companies Bill".

**Mr. M. Sivarama Menon (Advocate-General):** Sir, We are now following the Indian Companies' Act *mutatis mutandis*. Along with the codification of the Cochin laws more or less on the model of the British Indian laws it is considered that we should also have a separate Companies Act, even though there are no deviations from the Indian law on the point. The idea is to have a complete and separate Statute Book of our own. In drafting this Bill care has been taken to see that no deviations are made from the Indian law because it is highly desirable

and necessary that the company law should be on a par with the Indian law. Several businessmen from outside are transacting business here and people from this State are doing business outside Cochin and persons should be in a position to know the exact law here and if the law is uniform with that in British India there will be no necessity to make any enquiries with regard to procedure. The wholesale application of the Indian Companies Act to Cochin may give rise to certain difficulties in correctly understanding certain terms used in the Act as applied to Cochin. It is a question of policy to be considered, regard being had to common business interests, whether the company law in Cochin should not be uniform with that piece of law as it obtains in India. The question admits of only an affirmative answer. If on account of exceptional local conditions the House feels that any particular provision in the Bill requires a change then it will be for the House to point that out. That power which is vested in the House is not sought to be taken away by the statement that the law should be uniform here and in British India. I am only requesting the House not to exercise the right as there is no occasion for it. We have not deviated from the Indian law on the subject. But so far as kuries are concerned there is notification No. 133 which allows the banks to run kuries and when this Bill becomes law it will be republished. Our usages, customs and manners justify that departure and even from olden times we are accustomed to the running of kuries and it is practically a co-operative concern. Several banks are conducting kuries and it is considered that there is no harm in allowing them to run kuries also. That is the only deviation and that is consistent with the habits, manners and customs of the people here. It will also greatly help the people who require money in a lump sum to be repaid in instalments. We are so accustomed to kuries as a mode of investment also that any curtailment of the right to run kuries may be considered to be something abnormal. I request the hon'ble members to be pleased to support the motion.

*Motion put and carried.*

**Mr. M. Sivarama Menon (Advocate-General):** I request the Chair that S.O. No. 32 may be suspended.

**Mr. President:** The S. O. No. 32 is suspended.

**Mr. M. Sivarama Menon (Advocate-General):** I beg to move that the Cochin Companies' Bill be taken into consideration.

**Mr. C. J. Mathew (Joint Secretary to Government):** I second it.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Have you any idea of sending it to a Select Committee?

**Mr. M. Sivarama Menon (Advocate-General):** I have explained the position. I do not think that there is any necessity to refer this Bill to a Select Committee. Hon'ble Members know that the Government have been moving for referring bills to Select Committees when there is need for the same.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Sir, As far as the Bill is concerned, true, it is almost a verbatim copy of the British Indian enactment with a few alterations here and there, to suit the local conditions one of which has already been mentioned by the Hon'ble Advocate-General. But it is not safe to rush through a Bill on the ground that it is a copy of the British Indian Act or that a similar thing has been done by the Travancore Government. We had such instances here even during the last session. I have in my mind certain amendments that were passed on the ground that a similar Act has been passed in the Travancore State. But its working, I understand now, is bound to have repercussions in the State not contemplated at that time. Therefore, Sir, I submit that when an important measure like the Companies' Act is sought to be introduced in the State it is better that a small committee goes into the question and studies the Bill in detail and apply their mind to make the necessary changes if changes are really necessary. In this view I suggest that the Bill may be sent to a small Select Committee which may be asked to report in the minimum time necessary.

**Mr. A. B. Salem (Mattancheri):** I do not think that it is necessary that this Bill should go to a select committee, for the simple reason that the Indian Companies' Act as such has been *mutatis mutandis* made law in Cochin all this time. It is by means of a Proclamation that the Indian Companies' Act was brought into force in the Cochin State without any change to suit even local conditions. We have to do business not only within the four corners of Cochin but throughout India, as it were, and there can be only one law throughout the land and everyone has to transact business on a uniform basis. Therefore, there is no meaning in sending a bill like this to a Select Committee. The present bill is the result of a very big Select Committee. Therefore, there is no point in waiting and making the law, not on a par with

that in British India. It is very necessary that it should be immediately brought into force and if it is referred to a select committee the bill will come before the House only after the Budget Session. In the meantime several business have to be transacted. Therefore, it is very highly necessary that this Bill should be passed in this Council itself. I, therefore, oppose the idea of sending it to a select committee and request the House to allow the bill to go through, so that business-people will have their business carried on. This law does not affect anybody except the business people. I, therefore, submit that the House would do well in giving its sanction to allow this Bill to go through.

**Mr. M. Sivarama Menon (Advocate-General):** Sir, The Government would never have opposed the motion for referring this Bill to a Select Committee unless and until it be that no useful purpose it served by such reference because we are not enacting a new piece of legislation. We are at present subject to the Indian Act by virtue of a Proclamation. Now suppose we are not going to enact this piece of legislation. Then also we will be governed by the British Indian enactment. The Government thought that they should have a codified law of their own for purposes of easy reference. So the point is if any change in the existing law was found necessary then certainly amendments to that effect would have been brought before the House. No amendments have been tabled by any of the Hon'ble Members.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** No amendments have been tabled is no argument for not sending the bill to a select committee to have only notice of introduction.

**Mr. M. Sivarama Menon (Advocate-General):** The law that we are going to codify is the same that is in force in Cochin now. I can understand a case where there are deviations made in the Bill from the existing law in British India. Then it may be a case for the Bill being referred to a Select Committee. There has been no motion even before the introduction of this measure for an amendment of the existing company law. There has been no complaint whatsoever with the working of the present Act. I hope the Hon'ble Member will therefore co-operate with me to see that the Companies Act is placed on the Statute Book as early as possible to serve the better convenience of businessmen. I therefore request that the House may be pleased to allow me to make the further motions regarding this Bill during this meeting of the Council itself.

*Motion for referring the Bill to a Select Committee put and lost.*

**Mr. M. Sivarama Menon (Advocate-General)** Sir, I move that the Bill may be taken into consideration.

**Mr. C. J. Mathew (Joint Secretary to Government):** I second it.

*Motion put and carried.*

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Sir, may I know whether we have not got the right to move amendments? This is taking the House by surprise. The provisional agenda as well as the final agenda shows that the Advocate-General will be introducing the Bill and if the President is pleased to suspend Standing Order 32, it will be taken up for consideration. It is up to the President to accord the necessary sanction or not and therefore we cannot be taken to task for not tabling amendments early. We should have breathing time to table amendments. It is in that view that I suggested that the Bill should be sent to a small Select Committee. Of course that being ruled out, I do not say anything about it. I only say let us have sufficient time to consider the provisions of the Bill carefully. Heavens are not going to fall down because there is no legislation of our own now at once. There is practically no hurry since we are working the Indian Act now. This is a vital Bill affecting companies. I therefore request that the Hon'ble President may be pleased to allow us to study the Bill in detail at our leisure and permit us to table the necessary amendments if found necessary.

**Mr. President:** The Hon'ble members had notice of the Bill some four days before, and none has sent any amendments.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Sir, since there were important non-official Bills coming up we had not sufficient time to bestow thought on this Bill. We have to consider even the High Court rulings and we have to see whether in the light of the various decisions bearing on the various sections of the Companies Act any amendments have to be moved. We have to compare the provisions of the Bill with that of the Indian Companies Act. We should have sufficient time to consider them at our leisure.

**Rama Varmha Tampuran (Secretary to Government):** If they want more time we have no objection. After all there will not be many amendments.

**Mr. President:** Then we will take it on Thursday.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Sir there are many non-official Bills posted to that day. There are too many important Bills coming up for consideration tomorrow also. One of them relates to fixation of the rate of renewal fees and as many members will be

taking or at least ought to take a very keen interest in that Bill.

**Mr. President:** If the Bill is not taken up on Thursday it will have to go to the Budget session which means there will be great delay in placing it on the statute book.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Sir, in the ordinary course it can come only in next Vrischigam. There is no hurry since we are only going to modify the existing Law and practice.

**Mr. President:** I may inform the House that three amending Acts have been passed in British India recently which have been incorporated in this Bill. We have not brought the same into force in Cochin. Hence these amendments will not apply to Cochin for the next few months. Anyhow I have no objection to the Bill being taken up for consideration during the Budget session.

## RESOLUTIONS

### Resolution No. 20—(cont.)

#### Prohibition of rice hulling for the duration of the War

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Before we proceed to the Resolution I wish to be supplied Sir, with some information which I wanted yesterday bearing upon this resolution.

**Mr. M. M. Paul (Commissioner of Civil Supplies):** The Hon'ble Member had asked for information as regards the rates of transport of paddy to the mills. They are as follows.—For taking it to the mills in the same taluk—5 annas per bag of 10 paras. Paddy purchased in the Taluks of Mukundapuram and Trichur and Talappalli.—

Paddy purchased in the Chittur Taluk—Re. 1—8—0 per cart load of 70 paras for transport from one taluk to another.

For paddy purchased in Mukundapuram and transported to Trichur—5 annas per bag of 10 paras.

For paddy purchased in Talappalli and Trichur—11 annas per bag of 10 paras.

The milling charges are

7 annas in Trichur, Talappalli and Mukundapuram Taluks for paddy of a bag of 10 paras and Rs. 3—8—0 for one cart load of paddy in the Chittur Taluk.

**Mr. P. Kumaran Ezhuthassan (Vadakkancheri):** Mr. President, I propose to utilise the occasion presented by this resolution, though unhappily worded, to press upon the attention of Government one or two important things. It has to be admitted, Sir, that we are passing through strenuous times regarding food supply. It has to be admitted that our Government is trying its level best to meet the food situation to the best of its ability. Our Diwan is untiring in his efforts to get down as much of British Indian rice as possible and he has also been pleased to commandeer all paddy produced in the State though late. The Government therefore is in possession of rice to some extent and also of paddy to some extent. So the proposition of giving rice alone to those who want rice, as my hon'ble friend the member for Chalakkudi wanted or giving paddy alone to those who want paddy, as many other Hon'ble Members in this House want, is not a very difficult proposition at all for the Government. In connection with the desirability and the possibility of giving paddy, when that is wanted, I raised a question at question time last session and the Diwan President was pleased to inform the house that there is absolutely no objection for giving a portion of the paddy as paddy to the public, but he said a portion will have to be milled. Another supplementary question that I put was whether paddy proportionate to the rationed rice, viz., four nales of paddy to 2 nales of rice could not be given. To that the Diwan President was again pleased to say that it will not be always possible because of the necessity for milling paddy on considerations of transport charges. That is in answer to question 96 of the last session. What I now wish to urge upon the Government is to give paddy as such to these persons who want paddy in preference to rice. That process has got various advantages. Now we are purchasing paddy from the agriculturists at Re. 1—4—0 per para of paddy. It is now stated by the Government that for removing that paddy within the taluk these millowners are paid a certain amount, namely 5 annas for a bag of 10 paras in certain taluks and in the case of a particular taluk Rs. 3—8—0 per cart load of 70 paras. That works out to something more than the other Taluks. Then again for hulling this paddy which is transported, after payment of these transport charges another amount is paid to the millowner, 7 annas per bag in two or three places and in the Chittur Taluk Rs. 3—8—0 per cartload of 70 paras. That is the position up to conversion into rice. Again there is a further transport charge to be incurred to take back these milled rice from the mills to the various fair price shops